

Statement of Senator Judd Gregg
Education Funding
September 2, 2003

Madam President, I wish to speak to this bill, and in a moment I will have supportive charts to discuss this bill's efforts in the area of education .

Let me begin by congratulating the chairman of the committee, Senator Specter, for bringing to the floor a bill which has made major strides every year since President Bush has been President, but especially this year, under Chairman Specter's leadership, major strides on the issue of educational funding. In the context of that funding, relative to what was done when the Democratic membership controlled this Senate, or when the President was a member of the Democrat Party, the difference is startling.

President Bush and the Republican Senate have made spectacular strides in assisting and supporting education in this country while, at the same time, doing so during a very difficult period of America's history, a period when we are fighting a war, a war which has required huge resources, and a war which has required extreme attention by the administration, and at a time that we have been in a period of economic recession, in a period when the revenues to the Federal Government have been dropping precipitously because of that recession. Even in the context of those two very severe restraining events relative to domestic program activity, this President has been willing to step forward and focus on the issue of education , try to improve the education of America's children and support that effort with dollars.

I think before we get into a discussion of the dollars, because that is critical to the pending Byrd amendment, I will begin by saying this goes beyond the issue of dollars, this goes into the question of the attitude and approach to education .

What President Bush has said is we can no longer afford an educational system which, year in and year out, in generation after generation, leaves behind especially low-income children, takes those children and runs them through the educational system and, at the end of their schooling period, leaves them without the skills they need in order to compete for and participate in the American dream. President Bush has sounded a call to end that system and do something about the failures of that system.

There are a lot of good-faith people, a lot of hard-working people in the educational community in this country. A lot of teachers spend an extraordinary amount of hours, time, and extra effort to try to make sure their students succeed. Unfortunately, the fact is that, even though we have radically increased the dollars in education over the last 20 years, the performance of our children has not improved--especially the performance of low-income children.

So President Bush said let's try a different way. That is where the bill, the No Child Left Behind Act, came in. It says, rather than controlling the input of legislation, rather than telling local school districts how to run their schools, let's take a different look at this and say, what are the children learning? Let's find out what they are learning; let's shine a light on it. If they are not

learning enough to be competitive with their peers, or with what they need to be successful in society, then let's put in the remedial efforts to try to correct those problems.

It is an unusual approach in our educational system because, basically, it calls on the educational community to be accountable, to actually have to look at what a child is learning and determine whether what they are learning is what the community expects them to learn. The President's program, as passed by the Congress in a bipartisan initiative, doesn't set a Federal standard for what a child in the fourth grade in Epping, NH, knows; it rather says to the people in Epping, you set the standard for what your children should know in the fourth, fifth, and sixth grades. Once you have set that standard, you are going to have to determine whether your children are learning to that standard, and especially whether your low-income children, who have historically been left behind, are learning to that standard. If they are not, you are going to have to tell the parents they are not. You will have to disclose to the community at large that a certain percentage of the children are not reaching the standards the community set for those children.

It is a radical idea for education to be held accountable, but it is an idea whose time has come. So far, the response of the educational community has been very positive. Most teachers understand this is a law directed not in a negative way toward their efforts but in a supportive way, trying to make sure school systems are more accountable--especially in those areas where you have schools that have not made the grade, where a majority of low-income kids are failing. In other words, they are not reaching the standards of ability a fifth grader should know in math or in English. In those schools, we are going to try to improve their efforts.

There is a lot of remedial activity to accomplish that. The President not only set out this new initiative in the concept and the way we approach education --when somebody comes up with a good idea for smaller classrooms, more computers, and throws out ideas without any accountability as to whether it produces results, instead of taking that input approach, but an output approach, where you actually expect kids to learn and you find out if they are learning, and if they are not, you do something about it, especially with low-income kids, not only did he initiate that approach but he was willing to put the dollars into the programs that succeed in this area.

I think it is important to understand, as we view the debate of this amendment specifically before us--the Byrd amendment--that the dollars the President has proposed, and which the Congress passed under the Republican Congress, at least, have been a radical increase in funding for education at the Federal level.

The most significant reflection is that, as a function of the Federal Government, education has received more funding in the way of increases than any other function in the Federal Government. You would not believe that if you listened to the other side of the aisle. You would think it was actually being cut or not maintained. But, in fact, what the President has proposed, and what we have passed as a Republican Congress, has been a dramatic increase in funding in education .

This chart reflects that. It shows that in 1996, when the Republicans took control of the Congress, but most of the burst occurred in the last 3 years since President Bush has come into office. The increase in education has been 145 percent, whereas the increase in health and human services is 100 percent. And in defense funding, if you ask a person on the street what part the Federal Government expanded fastest in the last 5 years, they would probably say defense because that is all you hear about--especially from the other side of the aisle. But that is not true. Defense funding increased only a third as fast as education funding.

That really tells only part of the story. The story is what has happened in the context of this President's efforts versus that of the prior administration, this Republican Congress's efforts versus the prior Democratic Congress's efforts, because we are now hearing all these amendments being thrown at us from the other side about how we are underfunding this or that and not doing enough funding here or there.

But you have to ask yourself, what did they do when they were in charge? Did they make the type of commitments they are now asking be made by the Congress or did they maybe do substantially less and come forward today because it is politically enticing to do so and claim these accounts are underfunded and, therefore, we have to add these additional moneys?

Well, I think there are a couple of facts that need to be addressed right now. The first is President Bush's funding in comparison with President Clinton's funding. In the last year of the Clinton administration, \$42 billion was spent on education in this country. This year, after 3 years in office, President Bush will have increased education funding by 60 percent over the last Clinton budget, to \$67 billion. That is a huge increase and a huge commitment.

It goes beyond that. If you look at it by accounts, you will see what President Bush has done is stand behind his words, especially in comparison to what the prior administration did. For example, in the entire period when the Democrats controlled the Congress and had a Democratic President, their increases in title I spending were \$286 million. Since the Republicans have controlled Congress--and primarily since President Bush has come into office--it has gone to \$1.2 billion. If you total these in special education and also Pell grants--and we have heard a lot of misrepresentation on the issue of Pell grants on this floor--the difference is that in the period of a Republican-controlled Congress--especially since President Bush has become President--the average annual increase has been \$4 billion. That compares to about half a billion dollars during the period President Clinton was in office and when there was a Democratic Congress.

A Republican Congress and a Republican President have basically made the commitments not only in the area of policy improvement but also in the area of dollars to back up that new policy. It is instructive, for example, to take a look at some of the percentage differences between what the Republicans have done and what our colleagues on the other side of the aisle did when they were in control.

In the area, for example, of title I, our increases are 320 percent higher than the increases of the Democratic membership. In the area of IDEA grants, our increases are 770 percent higher

than the increases when the Democratic Party controlled Congress. In the area of Pell grants--actually during the Clinton administration, Pell grants were cut; they fell in funding--under this administration, the increases have been on an annual basis about 10 times higher than what the Democrats did during their period. It is dramatic.

Overall, if you were to put it into gross terms, that \$4.1 billion annual increase in educational funding, which has come about as a result of the commitment of this President to improving education and backing up those improvements with dollars, represents about an 858-percent increase on an annual basis over what happened when our predecessors were controlling the Congress and we had a different administration.

The practical effect of this has been that we have created so much more money flowing into the educational accounts at the Federal level, unlike what is represented across the other side of the aisle that more money is needed. In fact, what is happening is that we have put so much money into these accounts so fast under President Bush and the Republican Senate that we now have a situation where a large percentage of the dollars which we have already appropriated cannot be spent and have not been spent. In fact, of the \$31 billion which has been appropriated under title I or the No Child Left Behind Act, \$9 billion remains unspent. It is sitting at the Department of Education waiting for the States to get to a position where they are able to draw down those dollars. And this is not just from last year, this is from 2 to 3 years back, the whole period of President Bush's Presidency.

It is not an issue of lack of dollars. In fact, it is just the opposite. We are putting so many dollars into the educational accounts at the Federal level so fast that, to make sure they are spent correctly, it has made it difficult for the money to actually be spent. We, obviously, do not want to throw the money out there. It has to be spent pursuant to a plan. Every State has to file a plan. But as a result of the increased spending coming through the Bush initiatives, as supported by this Congress and especially by the chairman of this committee, Chairman Specter, who has been funding these accounts, we now find there is approximately \$9 billion of funds which has not been drawn down.

Today we have before us an amendment proposed by the ranking member of the Appropriations Committee--a man whom I greatly respect and who I think all Senators respect because of his extraordinary history in the Senate--which is proposing to add \$6 billion of spending on to the educational accounts. But how is it paid for? I think we need to address that, too, because, of course, all these kids we are educating and trying to make ready to participate in the American dream are going to have to pay the bills we run up on them if we run them up as a deficit.

So we put in place this year a budget. It was an idea that has been brought back, so to say, because when the colleagues across the aisle controlled the Senate last year, they did not put in place a budget. Why? Because a budget requires fiscal discipline and there were, I suspect, some who did not want fiscal discipline, did not want rules which drive fiscal discipline to be put in place so that spending could be controlled through budget points of order.

We had no budget last year. It was sort of a shock really. Here is the Government of the

United States functioning without a budget. It was chaos--in fact, such chaos that not only did we not have a budget, we did not have any appropriations passed under the leadership of the last Congress, my colleagues across the aisle.

The first order of business when we took responsibility for this Chamber, under the leadership of Senator Frist, was to pass all the appropriations bills from the prior year--almost all of them, 11 of the 13 had to be passed in this year rather than last year when they should have been passed. At any rate, we produced a budget this year, and we passed it.

What is the purpose of the budget? The purpose of the budget is to put in place some reasonable fiscal controls so that in a time when we are obviously running very high deficits as a result of a number of factors--primarily the slow economy which has slowed revenues, the war in Iraq, and the war against terrorism--in that context where we are driving, unfortunately, large deficits, not historically extraordinary deficits but still very large deficits--we need to control the rate of growth in those deficits by having in place a budget which at least in some accounts gives fiscal discipline. So we put in place a budget.

The budget allocates to each area a certain amount of money to be spent. Even in the context of the very severe deficit which we have--and it is significant--the Budget Committee, under the leadership of Senator Nickles, agreed to significantly increase the funding for education to try to meet the goals set out by the President.

In the area of special education, we increased funding by over \$1 billion; in the area of title I, we increased funding by over \$1 billion in the budget; and in the area of Pell grants, we increased funding by almost three-quarters of a billion dollars in the budget even though that meant that other accounts had to be reduced because to get the budget in place and have it be fiscally responsible, that required, if we were going to increase some accounts, we were most likely going to have to reduce others. We did a budget, and we passed it in the Senate, and it was passed by the House.

We have in place a budget for this country, finally. We renewed the concept of fiscal discipline through a budget after having abandoned it for a year under the prior leadership of the Senate. That budget sets out these spending goals, these spending limits which are called caps, the amounts which should be spent in these accounts. The leadership of this committee, Senator Specter, met those caps and significantly increased by over \$1 billion the spending on special education, over \$1 billion the spending on title I, low-income kids, and almost \$1 billion in spending on Pell grants.

Now we see these amendments coming from the other side saying: Even though we have a budget, we should ignore it and we should fund all these programs, not at the level that has been set by the budget or the level that has been set by the Appropriations Committee, but at the level set by the authorizing committee outside of the budget.

They are using a gimmick of classic proportions, advance funding, to claim that they are really doing it in a fiscally responsible way. Let me explain what advance funding is. When a

Senator offers an amendment which increases spending by \$6 billion over what the budget allows, and then that person claims it is paid for because they borrow the \$6 billion from next year's budget, that is not fiscal responsibility. That is a game. Anybody sees that as a gimmick. What happens next year? You are \$6 billion in the hole. So next year you not only have to pay that \$6 billion, you have to pay on top of that whatever you are going to pay for the increase in those accounts.

As a practical matter, it is doubling up the deficit. It would probably be better from a practical standpoint if you did not advance fund and you just said: All right, we are going to add to the deficit \$6 billion outside the budget, and we are not going to advance fund.

Advance funding is the worst of both worlds because it takes money from next year, which creates havoc with next year, and at the same time it aggravates the budget deficit issue. So as a practical matter, the \$6 billion that is proposed in this amendment will add \$6 billion to the deficit, if not this year, next year.

Who pays for that? Who pays for going outside the budget? Well, deficits are paid for by the folks who come here to work, who are students in high school, who are pages. When they get out of college--and I presume most of them will want to go to college--they are going to get a job and that job is going to have a tax burden tied to it. That tax burden is going to be directly related by how much we increase the deficit today, because they are going to have to pay that bill down the road. It is going to come to them, not to us, not to my generation, most likely, but to my children's generation and to my children's children's generation.

So every time we break the budget, we are adding costs to our children. These are the same children we are trying to help. These are the same people we are trying to help as they move through their educational experience. How are we going to help them when we first--well, unless we follow the President's program, we will not give them a great education but, more importantly, when you pass on to them a debt that is outside the discipline which is put in place to live by.

We put this budget in place so we would have fiscal discipline, so we would not be passing on more of a deficit to our kids than is reasonable. Yet these amendments keep coming at us, one after another, saying just add to the deficit, if not this year, next year; don't worry about it; it does not matter; it is for education .

I think it is ironic because the kids who are supposedly going to benefit are the kids who are going to have to pay the costs, and as a practical matter it is not going to benefit them that much. Why is it not going to benefit them that much? Because we already have \$9.3 billion of unspent money in these accounts. We have increased them so fast that they cannot be drawn down effectively.

Now let's go to another issue, this concept that the authorized level has to be funded. This is a very unusual concept for Congress, because for all intents and purposes Congress does not fund anything to authorized levels. Authorized levels are statements of intent, purpose, goodwill.

What Congress funds is a budget and appropriated levels. But now we hear, almost as a matter of sanctity, from the other side of the aisle that we have to reach the authorized level or we have abandoned the children of America.

That is a very interesting concept, but they did not subscribe to that concept when they were in control of the Senate. Last time the Democratic membership controlled this body, which happened to be a year ago, they brought forward an appropriations bill under Labor-HHS, which is the bill we are dealing with today, and they funded education. Did they fund to the authorized level? No, they did not. They did not even come close to funding to the authorized level.

This is the difference. This is the authorized level, the black line. This is what the Democratic budget proposed. It is a pretty big gap, about \$4 billion. This was what was actually funded in the Democratic bill, which never passed, by the way, nor did the budget because they decided they did not want a budget and they could not pass their bill.

Suddenly there has been an epiphany on the other side of the aisle. Suddenly, the authorized levels are sacrosanct and we must fund the authorized level. Well, I suggest there is a touch of inconsistency, especially in light of the track record we confront when we look at the facts.

So we are turning to the basic underlying point, and that is this: For the first time in at least a decade, and really longer, we have a President who even in a period of extreme national difficulty--war against terrorists who are set on destroying our Nation and killing Americans, and have already done so--and a difficult economic period, although we are coming out of it, hopefully, a President who even during those hard times, where his attention has obviously been drawn off, and appropriately so, to defending America and trying to get us back to work, has continued his focus on making sure children are properly educated in this country, and he is especially focused on low-income kids. That is the uniqueness of what he has done.

Most of us understand that a child from a better-off family is probably going to be taken care of in the educational system, but the low-income child, who comes mostly from broken homes and disproportionately lives in urban areas, has been left behind for generation after generation.

Now we have a President who has said no longer and who is willing to make this his purpose, even during these very difficult times when his attention might and has been drawn off otherwise. He has supported that purpose with huge increases in funding. In fact, in the first 3 years of the Bush administration, he increased funding more for title I in 3 years than the prior administration did in 8 years by a factor of almost 70 percent. The same is true in the special education accounts, and to a lesser extent but to a significant point in the Pell accounts. This is a President who has not only put forward creative and imaginative policy to try to finally get a handle on the fact that so many kids are not learning what they need to know in order to compete for the American dream, has not only put together that policy but has backed it up with real, hard dollars. In the budget this Congress passed, we backed up the President.

Today, the issue is whether we are going to hold that budget, which has these very significant increases in education , or whether we are going to dramatically expand the deficit in what seems to me to be a bit of inconsistency in relationship to what was proposed when our colleagues across the aisle were in control.

This committee, under the leadership of Senator Specter, this President, has done the work that needs to be done, lifted the weights that need to be lifted in the area of funding education , and we should be supporting this committee's mark in this area.

I yield the floor.